

Message Text

CONFIDENTIAL

PAGE 01 STATE 061751

10

ORIGIN NEA-12

INFO OCT-01 ISO-00 SCI-06 CIAE-00 DODE-00 PM-07 H-03

INR-10 L-03 NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SPC-03

SS-20 USIA-15 AID-20 CU-04 HEW-08 AGR-20 EPA-04 NSF-04

OMB-01 TRSE-00 IO-14 AEC-11 CEQ-02 NASA-04 HUD-02

NAS-01 /188 R

DRAFTED BY NEA/EGY:LWSEMAKIS/MSTERNER:PM

APPROVED BY NEA:RPDAVIES

SCI/SA:MSBEAUBIEN

----- 116821

R 272316Z MAR 74

FM SECSTATE WASHDC

TO AMEMBASSY CAIRO

C O N F I D E N T I A L STATE 061751

E.O. 11652: GDS

TAGS: PFOR, EG, US, EAID, OGEN

SUBJECT: MFA CLEARANCE FOR FOREIGN ACTIVITIES IN EGYPT

REF: CAIRO 0910

1. SUMMARY. DEPT BELIEVES THAT RESUMPTION OF US-EGYPTIAN DIPLOMATIC RELATIONS AND RESULTANT EXPANDED OPPORTUNITY FOR US ACTIVITIES IN EGYPT PROVIDE BASIS FOR MODEST INCREASE IN PL-480 FUNDED RESEARCH ACTIVITY IN EGYPT. WE AGREE WITH EMBASSY CAIRO RECOMMENDATION TO RAISE CEILING FOR THIS ACTIVITY IN FY 75 TO DOLS 5 MILLION. WE ARE PREPARED TO COOPERATE WITH EGYPTIAN FOREIGN MINISTRY IN ITS EFFORT TO ESTABLISH COORDINATION ROLE OVER FOREIGN RESEARCH ACTIVITY IN EGYPT, BUT WE WISH TO MAINTAIN PRINCIPLE WITH GOE THAT INTERESTS OF US AGENCIES ARE ACCOMMODATED ALONG WITH THOSE OF EGYPT. DEPT BELIEVES PRESENT INTERNAL USG PROCESS BY WHICH EXCESS CURRENCY FUNDED SCIENTIFIC AND OTHER RESEARCH PROJECTS ARE SELECTED IS ADEQUATE. END SUMMARY.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 061751

2. REPRESENTATIVES FROM VARIOUS AGENCIES INVOLVED IN RESEARCH PROJECTS IN EGYPT FUNDED FROM US HOLDINGS OF EXCESS EGYPTIAN CURRENCY MET WITH DEPT OFFICERS ON MARCH 8 TO DISCUSS ISSUES RAISED IN CAIRO'S 910. AGENCY REPS VERY PLEASED BY YOUR ENDORSEMENT IN PRINCIPLE OF RESEARCH PROJECTS, AND UNDERSTAND NEED FOR SATISFACTORY ARRANGEMENTS WITH GOE. DEPT CONCURS WITH YOUR PROPOSAL TO RAISE LIMIT FOR RESEARCH PROJECTS IN FY 75. LIMITS SET FOR PRIOR

YEARS WERE BASED ON THE LEVEL OF EXPENDITURE THAT YEAR ON NEW PROJECT STARTS. WE ASSUME SAME BASIS APPLIES TO YOUR FIGURE OF DOLS 5 MILLION FOR FY 75. (SINCE THIS FISCAL YEAR NEARING AN END, THERE IS TOO LITTLE TIME TO CHANGE SCALE OF EXPENDITURE FOR FY 74.)

3. CURRENT ARRANGEMENTS FOR COORDINATING RESEARCH PROJECTS PROGRAM WITHIN USG ARE RATHER EXTENSIVE AND IN OUR JUDGMENT HAVE WORKED WELL. PROCEDURE WORKS AS FOLLOWS: DEPT IN EARLY SPRING SETS LIMIT ON EGYPTIAN CURRENCY TO BE EXPENDED ON NEW PROJECT STARTS DURING NEXT FISCAL YEAR. LIMIT IS DETERMINED BY STATE IN CONSULTATION WITH POST AND IS BASED MAINLY ON JUDGMENT AS TO LEVEL OF ACTIVITY WE WANT IN THIS FIELD GIVEN POLITICAL CLIMATE AND OVERALL POSTURE US WISHES TO MAINTAIN IN EGYPT. SCIENCE AGENCIES ARE ADVISED OF CEILING FIGURE AND REQUESTED TO DRAW UP PRIORITY LIST OF PROJECTS, ACCOMPANIED BY COST FIGURES, FOR PRESENTATION AND DISCUSSION AT MEETINGS OF SPECIAL FOREIGN CURRENCY PROGRAM AGENCY REPRESENTATIVES HELD AT DEPARTMENT AND CHAIRED BY DEPARTMENTAL OFFICER FROM SCI. EGYPTIAN AFFAIRS OFFICER FROM DEPT ATTENDS MEETING TO OFFER POLITICAL GUIDANCE AS NECESSARY DURING DISCUSSIONS. PROCEDURE RESULTS IN PROPOSED PACKAGE OF PROJECTS REFLECTING COMPROMISES HAMMERED OUT DURING DISCUSSIONS AT WHICH VARIOUS AGENCIES HAVE OPPORTUNITY TO EXPRESS VIEWS ON PRIORITIES AND EXPENDITURES. PACKAGE IS THEN FORWARDED TO CAIRO FOR POST'S COMMENT. FOR PACKAGE PRESENTED TO POST ON FY 74 PROGRAM SEE A-4791 DATED JUNE 28, 1973. WHILE PRELIMINARY CONTACTS BETWEEN US AGENCIES AND EGYPTIAN COUNTERPARTS HAVE USUALLY TAKEN PLACE TO ENABLE AGENCIES TO IDENTIFY FEASIBLE PROJECTS, NO FINAL CONTRACTS ARE

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 061751

SIGNED UNTIL POST AND NEA/EGY HAVE APPROVED PACKAGE.

4. COORDINATION WITH GOE UNTIL NOW HAS BEEN HANDLED FOR MOST PART BETWEEN INDIVIDUAL US AGENCIES AND EGYPTIAN COUNTERPARTS USING DEPARTMENTAL AND POST CHANNELS. FON MIN IN PART HAS MADE SEVERAL DESULTORY EFFORTS TO ESTABLISH ITSELF IN COORDINATING AND CONTROLLING ROLE BUT HAS NEVER FOLLOWED THROUGH. THIS HAS BEEN OKAY WITH US

SINCE WE HAVE SEEN ADVANTAGE IN MAINTAINING PRESENT AD HOC AND FLEXIBLE ARRANGEMENTS. PROCEDURE HAD MERIT OF KEEP-ING SCIENTISTS AND EXPERTS OF BOTH COUNTRIES IN DIRECT CONTACT THUS MINIMIZING BUREAUCRATIC INTERFERENCE FROM VARIOUS QUARTERS IN GOE INCLUDING THE MFA.

5. OBVIOUSLY, WITH RIAD APPROACH TO YOU, SATISFACTORY ARRANGEMENT NEEDS TO BE WORKED OUT WITH MFA. IN DOING SO, HOWEVER, WE WILL WISH TO MAKE IT CLEAR TO MFA THAT SCI-ENTIFIC PROGRAM IS TWO-WAY STREET, AND THAT NEEDS AND

INTERESTS OF US AGENCIES ENGAGED IN PROGRAM MUST BE FULLY CONSIDERED. WE WILL WANT TO AVOID, IN OTHER WORDS, MFA COORDINATING ROLE FROM BECOMING VEHICLE FOR GOE DICTATION ON PROJECTS TO BE UNDERTAKEN. IT IS ALSO POSSIBLE THAT MFA CALL FOR COORDINATION MAY FORESHADOW EGYPTIAN DEMAND FOR US HARD CURRENCY INPUT ON PROGRAM.

6. IN SHORT, WE BELIEVE THAT IN WORKING OUT ARRANGEMENT FOR COORDINATION WITH MFA, WE SHOULD SEEK TO MAINTAIN AS MUCH FLEXIBILITY FOR US AGENCIES AS POSSIBLE. IT MAY BE INEVITABLE THAT WE WILL NOW HAVE TO CONDUCT OUR PROGRAM ACTIVITY WITH GREATER MEASURE OF GOE CONDITIONALITY AND CONTROL IMPOSED UPON IT, BUT WE WOULD LIKE THIS TO BE AS LITTLE AS POSSIBLE.

7. WITH ABOVE CONSIDERATIONS IN MIND, YOU SHOULD INFORM RIAD THAT US IS PREPARED TO COOPERATE WITH GOE IN BRING-ING GREATER COORDINATION TO THESE ACTIVITIES IN EGYPT. YOU MAY WISH TO REVIEW FOR HIM INTERNAL USG PROCESS BY WHICH OUR PROPOSALS FOR PROJECTS ARE ARRIVED AT. YOU MAY SHOW HIM SAMPL
E E E E E E E

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: RESEARCH, SCIENTIFIC COOPERATION, SECURITY CLEARANCES, PROGRAMS (PROJECTS), FOREIGN ASSISTANCE, EXCESS FOREIGN EXCHANGE
Control Number: n/a
Copy: SINGLE
Draft Date: 27 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE061751
Document Source: CORE
Document Unique ID: 00
Drafter: LWSEMAKIS/MSTERNER:PM
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740067-0244
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740310/aaaaajax.tel
Line Count: 142
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: CAIRO 0910
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags: ANOMALY
Review Date: 13 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13-Aug-2002 by kelleyw0>; APPROVED <27 JAN 2003 by GolinoFR>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MFA CLEARANCE FOR FOREIGN ACTIVITIES IN EGYPT
TAGS: PFOR, EAID, OGEN, EG, US
To: CAIRO
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005